



B500 Modern Issues in Finance

Structured Debt Instruments (summer term 2018)

Organization

The seminar is aimed at master students who are interested in writing their thesis in the research area of Finance. It is particularly suited for those students who participated in the course *Advanced Corporate Finance* in the winter term. However, this is not a formal prerequisite.

Students have to register by sending an email with a one-page CV and current grade transcript to fin-education@wiwi.uni-tuebingen.de until **April 15 (end of day)**.

The kick-off event takes place on Wednesday, **April 18 at 11.00 AM (Gebhard-Müller-Saal, Nauklerstraße 47)**. The attendance of all participants at the kick-off event is compulsory. At the kick-off, the topics will be shortly introduced and assigned to groups of 2 or 3 students (depending on the total number of participants), who will collaborate on the respective topic.

The topics will be assigned based on the following procedure: Students indicate their preferences. We randomly select a student, who will be assigned to her or his first choice. The next student, who is again randomly selected, receives her or his highest preference only in case the respective group is not complete yet. In case the topic is not available any more, the student will be assigned to the second highest preference and so on.

The papers and abstracts have to be delivered to the offices of the Department of Finance by **Wednesday, June 6 at 11 AM**. Each group should submit two stapled printouts (no hardcover or binding required) as well as an electronic copy (including the text in pdf as well as all data and computations).

The final presentations will take place well in advance of the exam period. It is expected that each group member presents a portion of the joint work. Each group has a net presentation time of 30 minutes. Great importance is attached to an interactive discussion between all participants and presenters in order to treat the topics from different perspectives and to respond to questions intensely. Therefore, the total time available per group is about 90 minutes.

(Preliminary) List of Topics

- (1) Callable Bonds
- (2) Convertible Bonds
- (3) Liquid Yield Option Note (LYON)
- (4) Conventional Debt under Tax Benefits and Bankruptcy Costs
- (5) Step-up Bonds
- (6) Contingent Convertible Bonds

The basic literature will be given at the kick-off event.

Please note: Experience in the use of spreadsheet software (like Microsoft Excel) is useful. Alternatively, students may want to familiarize themselves with advanced academic software packages like LaTeX and MATLAB to prepare for their final thesis.